

**Hockey Helps the Homeless /
Hockey Aide Les Sans-Abri
Financial Statements
For the year ended June 30, 2022**

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Financial Statements
For the year ended June 30, 2022**

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Independent Auditor's Report

To the Members of
Hockey Helps the Homeless / Hockey Aide Les Sans-Abri

Qualified Opinion

We have audited the financial statements of Hockey Helps the Homeless / Hockey Aide Les Sans-Abri (the "Organization"), which comprise the statement of financial position as at June 30, 2022, and the statements of changes in net assets, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at June 30, 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives revenue from donations and cash receipts, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to revenues other than tournament revenue, excess of revenue over expenses, and cash flows from operations for the years ended June 30, 2022 and 2021, current assets as at June 30, 2022 and 2021, and net assets as at July 1 and June 30 for both the 2022 and 2021 years. Our audit opinion on the financial statements for the year ended June 30, 2022 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

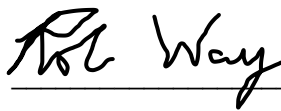
Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario
January 3, 2023

Hockey Helps the Homeless / Hockey Aide Les Sans-Abri Statement of Financial Position

June 30	2022	2021
Assets		
Current		
Cash	\$ 1,968,896	\$ 2,111,783
Commodity taxes recoverable	71,470	54,351
Accounts receivable	49,590	2,010
Prepaid expenses	66,343	145,391
	2,156,299	2,313,535
Capital assets (Note 2)	15,973	25,910
	\$ 2,172,272	\$ 2,339,445
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued liabilities	\$ 68,148	\$ 87,676
Deferred revenue	260,116	219,970
	328,264	307,646
Net assets		
Invested in capital assets (Note 3)	15,973	25,910
Internally restricted (Note 3)	1,185,421	1,422,631
Unrestricted	642,614	583,258
	1,844,008	2,031,799
	\$ 2,172,272	\$ 2,339,445

Approved on behalf of the Board:



Director

Director

Hockey Helps the Homeless / Hockey Aide Les Sans-Abri Statement of Changes in Net Assets

For the year ended June 30 **2022**

	Invested in Capital Assets	Internally Restricted	Unrestricted	Total
Balance, beginning of year	\$ 25,910	\$ 1,422,631	\$ 583,258	\$ 2,031,799
Excess (deficiency) of revenue over expenditures for the year (Note 3)	(22,440)	(1,312,101)	1,146,750	(187,791)
Capital asset additions	12,503	-	(12,503)	-
Transfer to internally restricted net assets (Note 3)	-	1,074,891	(1,074,891)	-
Balance, end of year	\$ 15,973	\$ 1,185,421	\$ 642,614	\$ 1,844,008

For the year ended June 30 **2021**

	Invested in Capital Assets	Internally Restricted	Unrestricted	Total
Balance, beginning of year	\$ 47,951	\$ 731,323	\$ 204,732	\$ 984,006
Excess (deficiency) of revenue over expenditures for the year (Note 3)	(29,837)	(691,566)	1,769,196	1,047,793
Capital asset additions	7,796	-	(7,796)	-
Transfer to internally restricted net assets (Note 3)	-	1,382,874	(1,382,874)	-
Balance, end of year	\$ 25,910	\$ 1,422,631	\$ 583,258	\$ 2,031,799

The accompanying notes are an integral part of these financial statements.

Hockey Helps the Homeless / Hockey Aide Les Sans-Abri Statement of Operations

For the year ended June 30	2022	2021
Revenue		
Tournament revenue	\$ 4,165,062	\$ 2,591,452
Tournament expenses	<u>(1,312,400)</u>	<u>(445,128)</u>
Net tournament income	2,852,662	2,146,324
Sponsorship revenue	<u>523,141</u>	<u>575,000</u>
Net revenue	<u>3,375,803</u>	<u>2,721,324</u>
Operating expenses		
Advertising and promotion	33,152	14,594
Office and general	180,206	96,005
Professional fees	14,497	12,946
Salaries and benefits	<u>415,988</u>	<u>329,878</u>
	<u>643,843</u>	<u>453,423</u>
Surplus before donations	2,731,960	2,267,901
Supplies and funding donated for the homeless		
- from unrestricted funds	(1,607,650)	(528,542)
- from internally restricted funds	<u>(1,312,101)</u>	<u>(691,566)</u>
(Deficiency) excess of revenue over expenses for the year	<u>\$ (187,791)</u>	<u>\$ 1,047,793</u>

The accompanying notes are an integral part of these financial statements.

Hockey Helps the Homeless / Hockey Aide Les Sans-Abri Statement of Cash Flows

For the year ended June 30	2022	2021
Cash provided by (used in)		
Operating activities		
(Deficiency) excess of revenue over expenses for the year	\$ (187,791)	\$ 1,047,793
Adjustments to reconcile (deficiency) excess of revenue over expenditures to net cash provided by operating activities:		
Amortization	22,440	29,837
Changes in non-cash working capital balances		
Commodity taxes recoverable	(17,119)	14,189
Accounts receivable	(47,580)	34,144
Prepaid expenses	79,048	26,792
Accounts payable and accrued liabilities	(19,528)	(10,738)
Deferred revenue	40,146	(388,679)
	(130,384)	753,338
Cash flows from investing activities		
Purchase of capital assets	(12,503)	(7,796)
(Decrease) increase in cash during the year	(142,887)	745,542
Cash, beginning of year	2,111,783	1,366,241
Cash, end of year	\$ 1,968,896	\$ 2,111,783

The accompanying notes are an integral part of these financial statements.

Hockey Helps the Homeless / Hockey Aide Les Sans-Abri

Notes to Financial Statements

June 30, 2022

1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Organization Hockey Helps the Homeless/Hockey Aide Les Sans-Abri (the "Organization") was incorporated under Part II of the Canada Corporation Act by Letters Patent dated October 2, 1999, as a corporation without share capital. The Organization is registered as a charitable organization, and as such the Organization is able to issue donation receipts and is exempt from corporate income tax under paragraph 149(1)(f) of the Income Tax Act, Canada.

The Organization raises funds and awareness and supports homeless-solutions organizations directly in the communities where funds are raised.

Basis of Accounting The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

Revenue Recognition The Organization follows the deferral method of accounting for contributions. Under the deferral method, restricted contributions related to expenses of future periods are deferred and recognized as revenue in the period in which the related expenses are incurred.

Tournament revenue consists of grant revenue, corporate sponsorships, silent auction proceeds, tournament receipts and donations.

Grant revenue is recognized as the expenses are incurred. Corporate sponsorships, silent auction proceeds and tournament receipts are recognized as revenue once the event occurs, where the amounts are fixed and determinable and collectibility is reasonably assured. Donations are recognized when received.

Use of Estimates The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

Capital Assets Capital assets are stated at cost less accumulated amortization. A provision is made for amortization using the straight-line method over the estimated useful life of the respective assets as follows:

Computer equipment	3 years
Leasehold improvements	3 1/2 years
Web Design & Development	4 years

Hockey Helps the Homeless / Hockey Aide Les Sans-Abri Notes to Financial Statements

June 30, 2022

1. Nature of Operations and Summary of Significant Accounting Policies - (Continued)

Donated Services The Organization's activities include time donated by a number of volunteers. Since no objective basis exists for recording and assigning values to these services, they are not reflected in the accompanying financial statements.

2. Capital Assets

	2022		2021	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Computer equipment	\$ 52,413	\$ 40,337	\$ 39,910	\$ 34,213
Leasehold improvements	29,278	29,278	29,278	29,278
Web Design & Development	69,315	65,418	69,315	49,102
	151,006	135,033	138,503	112,593
Net book value		\$ 15,973		\$ 25,910

3. Internally Restricted Net Assets

Internally restricted net assets represent amounts that have been restricted by the Board of Directors of the Organization in order to fund donations to the homeless. These internally restricted amounts are not available for other purposes without approval of the Board of Directors.

During the year, \$1,312,101 (2021 - \$691,566) of prior year internally restricted funds designated as donations for the homeless were paid out. The Organization has internally designated \$1,074,891 (2021 - \$1,382,874) for donations for the homeless during the year ended June 30, 2022.

Hockey Helps the Homeless / Hockey Aide Les Sans-Abri Notes to Financial Statements

June 30, 2022

4. Rec on Wheels Initiative

On June 14, 2018, the Organization signed a grant contract with the Ontario Trillium Foundation for grant revenue of \$75,000 over 12 months to pilot the Rec on Wheels initiative, a mobile recreational program for underprivileged youth between 12-25 years old.

On January 31, 2020, the Organization received a grant from the P&L Odette Charitable Foundation in the amount of \$159,500 in relation to the Rec on Wheels initiative.

As at June 30, 2022 and 2021, the total revenue recognized and expenses incurred to date in relation to the Rec on Wheels initiative are:

	2022	2021
Tournament revenue	\$ 92,656	\$ 90,731
Tournament expenses	(92,656)	(90,731)
Net tournament income	\$ -	\$ -

5. COVID-19

The On March 11, 2020, the World Health Organization declared the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The Organization applied for the Canada Emergency Wage Subsidy ("CEWS") from the Government of Canada. The total amount of CEWS applied for and recorded as other revenue in the statement of operations was \$41,485 (2021 - \$199,646).

The Organization applied for the Canada Emergency Rent Subsidy ("CERS") from the Government of Canada. The total amount of CERS applied for and recorded as other revenue in the statement of operations was \$4,488 (2021 - \$14,972).

There could be further impacts on the Organization from COVID-19 that could affect the timing and amounts recognized in the Organization's financial results. The full potential impact of the ongoing pandemic on the Organization is not known at this time.